



Half-year Financial Report

Published: September 2, 2026

Source: <https://www.londonstockexchange.com/news-article/AEP/half-year-financial-report/17766072>

RNS Number : 9672S
AEP Plantations PLC
02 September 2026

2 September 2026

AEP Plantations Plc
("AEP", "Group" or "Company")

Interim results for the six months ended 30 June 2026

AEP Plantations Plc, which owns, operates and develops plantations in Indonesia and Malaysia, is pleased to announce its unaudited results for the six months ended 30 June 2026.

Highlights

- On 4 May 2026, the Group completed the \$158.3 million acquisition of Pinago in South Sumatera, Indonesia, adding 14,300 hectares of mature plantation.
- Group revenue increased by 8.3% to \$249.7 million and profit before tax by 5.1% to \$65.8 million, including a \$9.1 million non-recurring gain arising from the Pinago acquisition
- The average ex-mill CPO price was \$853/mt (-1.2%) and palm kernel price was \$793/mt (+7.4%).
- The Group maintained cash and cash equivalents of \$109.5 million and bank borrowings of \$13.2 million, following the Pinago acquisition.
- Board intention to declare an interim dividend by the end of the third quarter of this year.
- \$25.9 million returned to shareholders through dividends and share buybacks during the period.

AEP Chairman, Jonathan Law, commented:

"I am pleased to report a strong set of results for AEP, with revenue up 8.3% and profit before tax up 5.1%, reflecting our Pinago acquisition completed in May.

We expect the production trend to improve in the second half of the year, and with CPO prices likely to remain elevated in the coming months, the Board is optimistic that the Group will deliver a robust performance in the second half of the year."

Enquiries:

AEP Plantations Plc	+44 (0) 20 7216 4621
Marcus Chan Jau Chwen, Executive Director (Corporate Affairs)	
Kevin Wong Tack Wee, Group Chief Executive Officer	
Montfort Communications Limited - Financial PR	aep@montfort.london
Ann-marie Wilkinson, Shireen Farhana	
Cavendish Capital Markets Limited - Financial Adviser and Broker	+44 (0) 20 7220 0500
Matt Goode, George Lawson, Trisyia Jamaludin (Corporate Finance)	
Will Smith, Harriet Ward (Corporate Broking)	

Introduction

The first half of 2026 marked an important milestone for the Group. On 4 May, we completed the acquisition of the PT AEP Pinago Plantations Tbk (formerly known as PT Pinago Utama Tbk) and its subsidiaries ("Pinago"), adding 14,300 hectares of mature plantation and increasing our total planted area to 87,392 hectares, more than a quarter higher than at the year end. In 2025, Pinago reported revenue of \$135 million, profit before tax of \$24.5 million, and profit after tax of \$18 million.

The consideration for the acquisition of \$158 million was funded entirely from existing cash resources. At the same time, we continued to return capital to shareholders, with \$25.9 million paid through dividends and share buybacks during the period.

We continued the largest replanting programme in the Company's history. We advanced construction of our ninth mill at KAP Estate, and shortly after the period end we completed the acquisition of PT Jaya Jadi Utama, whose land sits immediately adjacent to that mill.

Delivering this combination of growth, financial strength and shareholder returns reflects the balance sheet discipline we have maintained over many years. It also demonstrates our approach to capital allocation: investing in high-quality assets that strengthen the business, while maintaining a prudent financial position and returning capital to shareholders where appropriate.

Financial Highlights

	2026 6 months to 30 June \$ million	2025 6 months to 30 June \$ million	Variance (%)	2025 Year Ended 31 December \$ million
Revenue	249.7	230.5	8.3%	465.2
Gross profit	62.8	62.8	0%	123.8
Profit before tax*	65.8	62.6	5.1%	119.3
Profit after tax	48.9	48.8	0.2%	86.3

EPS*	12.71cts	12.33cts	3.1%	23.14cts
------	----------	----------	------	----------

*Note:

1. Profit before tax for the six months ended 30 June 2026 includes a gain on bargain purchase of \$9.1 million arising from the acquisition of PT AEP Pinago Plantations Tbk and its subsidiaries.
2. EPS has been retrospectively adjusted for the 10-for-1 share split completed on 25 June 2026.

Average CPO Ex-mill price per mt	\$853	\$863	-1.2%	\$853
Average PK Ex-mill price per mt	\$793	\$738	7.4%	\$739

Operational Highlights

	Unit	2026 6 months to 30 June	2025 6 months to 30 June	Variance (%)	2025 Year Ended 31 December
FFB production	('000 mt)	544.7	530.4	2.7%	1,080.6
Mature plantation	('000 ha)	74.5	61.5	21.1%	59.6
Mill FFB processed	('000 mt)	1,121.7	1,085.3	3.4%	2,146.7
Internal FFB source	('000 mt)	451.9	491.8	-8.1%	976.6
External FFB source	('000 mt)	669.8	593.5	12.9%	1,170.1
CPO production	('000 mt)	223.6	214.3	4.3%	425.8
PK production	('000 mt)	55.5	52.7	5.3%	105.9
OER		19.9%	19.7%		19.8%
KER		4.9%	4.9%		4.9%

Our own FFB production rose 2.7% to 544,700 mt (2025: 530,400 mt) mainly driven by stronger production in Kalimantan and the inclusion of two months of FFB production of 29,000 mt from Pinago. This was partially offset by a delayed cropping cycle, and the ongoing replanting programme in North Sumatra and Riau during the first half of the year. Production has returned to an upward trend since June.

External FFB purchases increased by 12.9% year-on-year to 669,800 mt primarily contributed by Pinago's purchases in May and June of 45,200 mt. Excluding Pinago, external FFB purchases increased by 5.2% compared with the corresponding period last year.

CPO production rose 4.3% to 223,600 mt (2025: 214,300 mt) and palm kernel production rose 5.3% to 55,500 tonnes. The oil extraction rate improved to 19.9% from 19.7%, which on the volumes we processed, converts directly into additional oil at no additional cost of planting or harvesting.

Excluding Pinago, FFB yield was 9.1 mt/ha, comparable to the corresponding period last year. Pinago recorded an FFB yield of 2.5 mt/ha for the two-month period since its acquisition in May 2026.

The mature plantation area, including plasma, increased to 74,200 ha, from 61,500 ha as at 30 June 2025, mainly reflecting the addition of 14,300 ha of mature plantations from Pinago.

Pinago

During the period, we completed the acquisition of Pinago, adding 15,118 hectares of planted oil palm, 3,590 hectares of planted rubber and integrated milling capacity, and taking our total planted area to 87,392 hectares. In 2025, Pinago reported revenue of \$135 million, profit before tax of \$24.5 million, and profit after tax of \$18 million.

Following the completion of the acquisition, Pinago's results for May and June 2026 have been consolidated into the Group's results, as follows:

	Unit	May - June 2026
Own FFB production	mt	29,000
External FFB purchased	mt	45,200
CPO production	mt	16,200
PK production	mt	3,200

Pinago provides AEP with a sizeable and established plantation platform in South Sumatra, supported by integrated palm oil and rubber-processing facilities. The oil palms have an average age of approximately 10 years, with around 74% mature and 26% immature, while the rubber trees average approximately 12 years, with 77% mature and 23% immature. This age profile provides an established production base together with meaningful future growth potential as immature plantings mature and enter production.

There is also material potential to improve oil-palm yields through enhanced fertiliser application, greater harvesting mechanisation, improved estate management and infrastructure maintenance. Further production growth is expected to come from the maturation of existing plantings, new planting opportunities and the selective replanting of older trees.

From the acquisition date to the end of the reporting period, Pinago contributed revenue of \$18.3 million and profit before tax of \$3.5 million.

On 21 August 2026, the Group completed the mandatory tender offer ("MTO") for shares in PT AEP Pinago Plantations Tbk ("Pinago"). Under the MTO, the Group acquired an additional 9,484,700 shares, representing approximately 1.21% of Pinago's issued share capital, at Rp3,584 per share, for a total purchase consideration of approximately US\$1.9 million. Following completion of the MTO, the Group's ownership interest in Pinago increased from 98.26% to approximately 99.48%. Including the initial acquisition consideration of approximately \$158.3 million, the Group's total consideration for its approximately 99.48% interest in Pinago amounted to approximately \$160.2 million.

PT Jaya Jadi Utama

Subsequent to the reporting date, the Group completed the acquisition of Admiral Potential Sdn Bhd, which owns 100% of PT Jaya Jadi Utama ("PT JJU"). PT JJU holds 7,169 hectares of HGU in Central Kalimantan, adjacent to the Group's KAP estate. The acquisition is expected to support FFB supply to the KAP mill and provide additional capacity for future growth.

Development

The Group's planted areas on 30 June 2026 comprised:

	Total	Mature	Immature
	Ha	ha	Ha
North Sumatera	18,852	16,962	1,890
Bengkulu	16,112	11,957	4,155
Riau	4,232	3,732	500
South Sumatera	15,118	11,523	3,595
Kalimantan	19,016	17,923	1,093
Bangka	2,826	2,632	194
Rubber	3,590	2,743	847
Indonesia	79,746	67,472	12,274
Malaysia	3,414	3,414	-
Total Planted Area	83,160	70,886	12,274
Plasma	4,232	3,345	887

Total: 30 June 2026 (including Plasma)	87,392	74,231	13,161
Total: 31 December 2025	69,324	59,646	9,678
Total: 30 June 2025	69,100	61,479	7,621

New Planting and Replanting

At the end of last year around 22% of our palms were classified as old and the average palm age across the estate was 14 years, against a target of 12. Our response is a 10,000 hectare replanting programme running to 2030, replacing older palm trees with higher yielding, more disease resistant varieties. We replanted a record 2,440 hectares last year. In the first half of 2026, we completed 1,227 hectares of planting, comprising 844 hectares of replanting and 383 hectares of new planting, together with 27 hectares of plasma planting. We remain on track to complete the 2,750 hectares by the end of 2026.

Construction of the Group's ninth mill at KAP Estate in Kalimantan is progressing as planned, with commissioning scheduled for December 2026. As at end of June 2026, building and structural works were 85% complete, civil works 60% complete, and mechanical machinery fully fabricated, with delivery expected by end of August 2026. The mill will support approximately 6,400 hectares of maturing Kalimantan palms and increase the Group's milling capacity by 45mt/hr.

Update on Listing of Kalimantan Subsidiary

The proposed Initial Public Offering of PT AEP Nusantara Plantations Tbk on the Indonesian Stock Exchange ("IPO") is currently being considered for listing in 2027, subject to prevailing market conditions and obtaining relevant regulatory approvals.

Indonesian Government Commodity Export Proposals

During the period, the Indonesian Government announced its intention to strengthen the oversight of strategic commodity exports through PT Danantara Sumberdaya Indonesia ("DSI"), initially covering palm oil, coal and ferroalloys. Subsequent announcements have provided greater clarity on the proposed arrangements. DSI commenced operations on 1 June 2026 and, from 1 September 2026, introduced an export governance platform designed to improve transparency and consolidate export and commercial data with information from relevant government agencies. Importantly, exporters will continue to manage their existing commercial relationships and deal directly with overseas customers, with DSI acting as an intermediary to facilitate and monitor export transactions rather than as a trader. The current arrangements are expected to remain in place until the end of 2026 with full implementation targeted by end of the year. The Group continues to monitor developments as the framework evolves.

Financial Review

For the six months ended 30 June 2026, revenue increased by 8.3% to \$249.7 million (2025: \$230.5 million)

Administrative expenses increased to \$10.5 million from \$4.7 million, mainly due to higher corporate expenses, including acquisition-related costs for Pinago and PT Jaya Jadi Utama, and the inclusion of two months of expenses from Pinago.

Profit before tax increased by 5.1% to \$65.8 million (2025: \$62.6 million) including \$1.1 million contribution by Pinago and a \$9.1 million non-recurring gain arising from the acquisition.

Excluding the non-recurring gain, underlying profit before tax was 9% lower than the corresponding period last year, driven by the delayed cropping cycle in North Sumatra and replanting in Riau, partly offset by higher production in Kalimantan.

Profit for the period attributable to owners of the parent increased slightly to \$48.9 million (2025: \$48.8 million).

Basic earnings per share for the six months ended 30 June 2026 stood at 12.71 cts (2025: 12.33 cts), an increase of 3.1%.

The Group's bank borrowings stood at \$13.2 million as at 30 June 2026 (30 June 2025: nil), arising from the consolidation of Pinago Group's borrowings following the acquisition.

As at 30 June 2026, the Group held cash and cash equivalents, including short-term bank deposits, of \$109.5 million (2025: \$244.7 million). The decrease mainly reflected \$158.3 million deployed for the Pinago acquisition, together with \$14.6 million in capital expenditure and \$9.1 million in share buybacks, with \$41.7 million in cash generated from operations.

Net assets stood at \$579.4 million (2025: \$584.8 million), supported by profit for the period of \$48.9 million. During the period, the Group returned \$25.9 million to shareholders through dividends of \$16.8 million and share buybacks of \$9.1 million, while foreign currency translation losses of \$32.1 million arising from the weakening of the Indonesian Rupiah against the US Dollar impacted net assets.

Dividend and Share Buyback

The final dividend of 4.37 cents per share (adjusted for the 10-for-1 share split) in respect of the year ended 31 December 2025 was paid on 30 July 2026.

The Board will declare an interim dividend by the end of the third quarter of this year.

During the period, the Group repurchased 4,214,840 ordinary shares (adjusted for the 10-for-1 share split) for \$9.1 million under its 2026 share buyback programme.

Outlook

CPO prices are expected to remain firm for the remainder of 2026, supported by sustained demand from the food and energy sectors. In Indonesia, domestic CPO consumption continues to be underpinned by the biodiesel programme, which is expected to provide continued support to CPO demand and prices.

While increased production and inventory levels may temper further price gains, resilient demand from key importing markets, alongside geopolitical uncertainties and weather-related risks including potential supply disruptions associated with El Niño, is expected to provide support for CPO prices. The Group will also benefit from a full six months' trading from Pinago.

We continue to assess a pipeline of brownfield opportunities in Indonesia against strict financial, operational and sustainability criteria. The Group remains confident in the long-term demand fundamentals for CPO and we remain confident of achieving market expectations for the full year.

Condensed Consolidated Income Statement

	Notes	2026 6 months to 30 June (unaudited) \$000	2025 6 months to 30 June (unaudited) \$000	2025 Year to 31 December (audited) \$000
Revenue	3	249,728	230,466	465,211
Cost of sales		(189,495)	(168,043)	(339,982)
Changes in fair value of biological assets		2,610	416	(1,408)
Gross profit		62,843	62,839	123,821
Administration expenses		(10,457)	(4,699)	(14,186)
Other income		1,089	732	1,315
Gain on bargain purchase		9,062	-	-
Reversal of impairment loss		-	-	710
(Loss)/gain arising from fair value of investments		(4)	297	(107)
Operating profit		62,533	59,169	111,553
Exchange gains/(loss)		834	266	(176)
Finance income	4	2,657	3,141	7,997
Finance expense	4	(190)	(25)	(44)

Profit before tax	5	65,834	62,551	119,330
Tax expense	6	(16,911)	(13,748)	(33,015)
Profit for the period		48,923	48,803	86,315
Profit for the period attributable to:				
- Owners of the parent		48,981	48,660	90,882
- Non-controlling interests		(58)	143	(4,567)
		48,923	48,803	86,315
Earnings per share for profit attributable to the owners of the parent during the period				
- basic and diluted	8	12.71cts	12.33cts	23.14cts

Condensed Consolidated Statement of Comprehensive Income

	2026	2025	2025
	6 months	6 months	Year
	to 30 June	to 30 June	to 31 December
	(unaudited)	(unaudited)	(audited)
	\$000	\$000	\$000
Profit for the period	48,923	48,803	86,315
Other comprehensive loss:			
<i>Items may be reclassified to profit or loss:</i>			
Loss on exchange translation of foreign operations	(32,085)	(1,538)	(15,696)
Net other comprehensive loss may be reclassified to profit or loss	(32,085)	(1,538)	(15,696)

Items not to be reclassified to profit or loss:

Remeasurement of retirement benefits plan, net of tax	152	-	1,852
Net other comprehensive income not being reclassified to profit or loss	152	-	1,852
Total other comprehensive loss for the period, net of tax	(31,933)	(1,538)	(13,844)
Total comprehensive income for the period	16,990	47,265	72,471

Attributable to:			
- Owners of the parent	17,148	46,897	75,660
- Non-controlling interests	(158)	368	(3,189)
	16,990	47,265	72,471

Condensed Consolidated Statement of Financial Position

		2026	2025	2025
	Notes	as at 30 June	as at 30 June	as at 31 December
		(unaudited)	(unaudited)	(audited)
		\$000	\$000	\$000

Non-current assets

Property, plant and equipment		451,825	272,276	272,547
Intangible assets		680	-	262
Investments in associates		1	-	1
Investments	9	41	9,405	45
Receivables		19,909	21,007	17,800
Deferred tax assets		513	1,991	974
Defined benefit assets		1,875	-	-
		474,844	304,679	291,629

Current assets

Inventories		44,826	23,604	27,652
Income tax receivables		5,562	18,316	4,992
Other tax receivables		34,679	29,002	41,863

Biological assets		9,862	8,448	6,383
Trade and other receivables		11,821	8,078	9,045
Investments	9	4,000	18,000	22,000
Short-term investments		-	-	500
Cash and cash equivalents		109,511	244,697	231,845
		220,261	350,145	344,280
Total assets		695,105	654,824	635,909

Current liabilities

Bank loans		(8,681)	-	-
Trade and other payables		(39,130)	(27,118)	(28,356)
Income tax liabilities		(5,993)	(5,466)	(10,173)
Other tax liabilities		(4,187)	(3,142)	(814)
Dividend payables		(16,826)	(20,137)	(65)
Lease liabilities		(324)	(249)	(202)
		(75,141)	(56,112)	(39,610)
Net current assets		145,120	294,033	304,670

		2026	2025	2025
		as at 30 June	as at 30 June	as at 31 December
		(unaudited)	(unaudited)	(audited)
		\$000	\$000	\$000

Non-current liabilities				
Bank loans		(4,533)	-	-
Deferred tax liabilities		(27,280)	(2,401)	(3,062)
Retirement benefits - net liabilities		(8,198)	(11,168)	(7,972)
Lease liabilities		(542)	(392)	(338)
		(40,553)	(13,961)	(11,372)
Net assets		579,411	584,751	584,927

Issued capital and reserves attributable to owners of the parent				
Share capital		15,504	15,504	15,504
Treasury shares		(22,951)	(3,368)	(13,840)
Share premium		23,935	23,935	23,935
Capital redemption reserve		1,087	1,087	1,087
Exchange reserves		(413,458)	(366,165)	(381,476)
Retained earnings		967,846	905,963	935,479
		571,963	576,956	580,689
Non-controlling interests		7,448	7,795	4,238
Total equity		579,411	584,751	584,927

Condensed Consolidated Statement of Changes in Equity

Attributable to owners of the parent										
	Share capital	Treasury shares	Share premium	Capital redemption reserve	Exchange Reserve s	Retained earnings	Total	Non-controlling interests	Total equity	
Note	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 31 December 2024	15,504	(2,487)	23,935	1,087	(364,402)	877,394	551,031	7,427	558,458	
Items of other comprehensive (loss)/income:										
- Remeasurement of retirement benefits plan, net of tax	-	-	-	-	-	1,852	1,852	-	1,852	

- (Loss)/gain on exchange translation of foreign operations	-	-	-	-	(17,074)	-	(17,074)	1,378	(15,696)
Total other comprehensive (loss)/income	-	-	-	-	(17,074)	1,852	(15,222)	1,378	(13,844)
Profit/(loss) for the year	-	-	-	-	-	90,882	90,882	(4,567)	86,315
Total comprehensive (loss)/income for the year	-	-	-	-	(17,074)	92,734	75,660	(3,189)	72,471
Share buy back	-	(11,353)	-	-	-	-	(11,353)	-	(11,353)
Dividends paid	-	-	-	-	-	(34,649)	(34,649)	-	(34,649)
Balance at 31 December 2025	15,504	(13,840)	23,935	1,087	(381,476)	935,479	580,689	4,238	584,927
Items of other comprehensive (loss)/income:									
- Remeasurement of retirement benefits plan, net of tax	-	-	-	-	-	149	149	3	152
- (Loss)/income on exchange translation of foreign operations	-	-	-	-	(31,982)	-	(31,982)	(103)	(32,085)

Total other comprehensive (loss)/income	-	-	-	-	(31,982)	149	(31,833)	(100)	(31,933)
Profit for the period	-	-	-	-	-	48,981	48,981	(58)	48,923
Total comprehensive (loss)/income for the period	-	-	-	-	(31,982)	49,130	17,148	(158)	16,990
Non-controlling interests arising from acquisition	-	-	-	-	-	-	-	3,368	3,368
Share buy back	-	(9,111)	-	-	-	-	(9,111)	-	(9,111)
Dividends payable	-	-	-	-	-	(16,763)	(16,763)	-	(16,763)
Balance at 30 June 2026	15,504	(22,951)	23,935	1,087	(413,458)	967,846	571,963	7,448	579,411

Attributable to owners of the parent

	Share capital	Treasury shares	Share premium	Capital redemption reserve	Exchange reserves	Retained earnings	Total	Non-controlling interests	Total Equity
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 31 December 2024	15,504	(2,487)	23,935	1,087	(364,402)	877,394	551,031	7,427	558,458

Items of other comprehensive (loss)/income:

Remeasur ement of retirement benefits plan, net of tax	-	-	-	-	-	-	-	-	-
(Loss)/inc ome on exchange translation of foreign operations	-	-	-	-	(1,763)	-	(1,763)	225	(1,538)
Total other comprehe nsive (loss)/inco me	-	-	-	-	(1,763)	-	(1,763)	225	(1,538)
Profit for the period	-	-	-	-	-	48,660	48,660	143	48,803
Total comprehe nsive (loss)/inco me for the period	-	-	-	-	(1,763)	48,660	46,897	368	47,265
Share buy back	-	(881)	-	-	-	-	(881)	-	(881)
Dividends payable	-	-	-	-	-	(20,091)	(20,091)	-	(20,091)
Balance at 30 June 2025	15,504	(3,368)	23,935	1,087	(366,165)	905,963	576,956	7,795	584,751

Condensed Consolidated Statement of Cash Flows

	2026	2025	2025
	6 months	6 months	Year
	to 30 June	to 30 June	to 31 December
	(unaudited)	(unaudited)	(audited)
	\$000	\$000	\$000

Cash flows from operating activities

Profit before tax	65,834	62,551	119,330
Adjustments for:			
Changes in fair value of biological assets	(2,610)	(416)	1,408

Gain on disposal of property, plant and equipment	(17)	(68)	(95)
Depreciation	12,378	9,226	18,958
Retirement benefit provisions	913	1,020	2,247
Finance income	(2,657)	(3,141)	(7,997)
Finance expense	190	25	44
Unrealised gain in foreign exchange	(10)	(58)	(23)
Loss/(gain) arising from fair value	4	(297)	107
Property, plant and equipment written off	433	-	904
Reversal of impairment loss	-	-	(710)
(Reversal)/provision for expected credit loss	(101)	4	(85)
Gain on bargain purchase	(9,062)	-	-

Operating cash flows before changes in working capital	65,295	68,846	134,088
--	--------	--------	---------

Increase in inventories	(10,697)	(4,857)	(9,749)
Increase in non-current, trade and other receivables	(5,737)	(3,889)	(1,499)

Increase in trade and other payables	7,780	5,826	7,503
--------------------------------------	-------	-------	-------

Cash inflows from operations	56,641	65,926	130,343
------------------------------	--------	--------	---------

Retirement benefits paid	(465)	(881)	(2,615)
--------------------------	-------	-------	---------

Overseas tax (paid)/refund	(14,478)	2,601	(13,903)
----------------------------	----------	-------	----------

Net cash generated from operating activities	41,698	67,646	113,825
--	--------	--------	---------

	2026	2025	2025
	6 months	6 months	Year
	to 30 June	to 30 June	to 31 December
	(unaudited)	(unaudited)	(audited)

\$000

\$000

\$000

Investing activities

Acquisition of new subsidiaries	(158,342)	-	-
---------------------------------	-----------	---	---

Cash and cash equivalents acquired on acquisition	2,837	-	-
Acquisition of associates	-	-	(1)
Property, plant and equipment			
- purchases	(14,648)	(11,238)	(29,922)
- sale proceeds	69	228	325
Intangible asset			
- purchases	(450)	-	(262)
Interest received	2,657	3,141	7,997
Additions to receivables from cooperatives under Plasma scheme	(159)	(382)	(2,181)
Repayment from cooperatives under Plasma scheme	280	915	3,110
Investment in investment portfolio	-	(30,018)	(29,068)
Disposal of investment portfolio	18,000	31,997	36,003
Placement of fixed deposits with original maturity of more than three months	-	-	(500)
Withdrawal of fixed deposits with original maturity of more than three months	500	1,253	1,253
Net cash used in investing activities	(149,256)	(4,104)	(13,246)

Financing activities			
Dividends paid to the holders of the parent	(2)	-	(34,630)
Repayment of lease liabilities - principal	(186)	(155)	(321)
Repayment of lease liabilities - interest	(23)	(25)	(44)
Repayment of bank loans	(114)	-	-
Share buy back	(9,111)	(881)	(11,353)
Net cash used in financing activities	(9,436)	(1,061)	(46,348)
Net (decrease)/increase in cash and cash equivalents	(116,994)	62,481	54,231

Cash and cash equivalents			
At beginning of period	231,845	181,908	181,908

Exchange (loss)/gain	(5,340)	308	(4,294)
At end of period	109,511	244,697	231,845
Comprising:			
Cash at end of period	109,511	244,697	231,845

Notes to the interim statements

1. Basis of preparation of interim financial statements

These interim consolidated financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting" as issued by the International Accounting Standards Board ('IASB') and as adopted by the United Kingdom. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2025 Annual Report. The financial information for the half years ended 30 June 2026 and 30 June 2025 does not constitute statutory accounts within the meaning of Section 434(3) of the Companies Act 2006 and has been neither audited nor reviewed pursuant to guidance issued by the Auditing Practices Board.

Basis of preparation

The annual financial statements of AEP Plantations Plc are prepared in accordance with UK adopted International Accounting Standards. The comparative financial information for the year ended 31 December 2025 included within this report does not constitute the full statutory accounts for that period. The statutory Annual Report and Financial Statements for 2025 have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Financial Statements for 2025 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under Sections 498(2) or 498(3) of the Companies Act 2006.

The Directors have a reasonable expectation, having made the appropriate enquiries, that the Group has control of the monthly cashflows and that the Group has sufficient cash resources to cover the fixed cashflows for a period of at least 12 months from the date of approval of this interim report. For these reasons, the Directors adopted a going concern basis in the preparation of the interim report. The Directors have made this assessment after consideration of the Group's budgeted cash flows and related assumptions including appropriate stress testing of identified uncertainties. Stress testing of other identified uncertainties was undertaken on primarily commodity prices and currency exchange rates.

Changes in accounting standards

The same accounting policies, presentation and methods of computation are followed in these condensed consolidated financial statements as were applied in the Group's latest annual audited financial statements.

2. Foreign exchange

		2026	2025	2025
		6 months	6 months	Year
		to 30 June	to 30 June	to 31 December
		(unaudited)	(unaudited)	(audited)
Closing exchange rates				
Rp : \$		17,856	16,233	16,782
\$: £		1.3273	1.37	1.35

RM : \$		4.07	4.22	4.06
Average exchange rates				
Rp : \$		17,197	16,428	16.475
\$: £		1.3453	1.30	1.32
RM : \$		3.9854	4.38	4.28

3. Revenue

Disaggregation of Revenue

The Group has disaggregated revenue into various categories in the following table which is intended to:

- Depict how the nature, amount and uncertainty of revenue and cash flows are affected by timing of revenue recognition; and
- Enable users to understand the relationship with revenue segment information provided in note 5.

	CPO and palm kernel	FFB	Rubber	Shell nut	Biogas products	Others	Total
6 months to 30 June 2026							
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Contract counterparties							
Government	-	-	-	-	231	-	231
Non-government							
- Wholesalers	225,810	19,016	2,339	2,329	-	3	249,497
	225,810	19,016	2,339	2,329	231	3	249,728
Timing of transfer of goods							
Delivery to customer premises	-	19,016	2,339	-	-	-	21,355
Delivery to port of departure	48,204	-	-	-	-	-	48,204

Customers collect from our mills/estates	177,606	-	-	2,329	-	-	179,935
Upon generation/others	-	-	-	-	231	3	234
	225,810	19,016	2,339	2,329	231	3	249,728

6 months to 30 June 2025	CPO and palm kernel	FFB	Rubber	Shell nut	Biogas products	Others	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<i>Contract counterparties</i>							
Government	-		-	-	219	-	219
Non-government - Wholesaler	219,812	7,659	-	2,772	-	4	230,247
	219,812	7,659	-	2,772	219	4	230,466
<i>Timing of transfer of goods</i>							
Delivery to customer premises		7,659	-	-	-	-	7,659
Delivery to port of departure	35,885	-	-	-	-	-	35,885
Customers collect from our mills/estates	183,927	-	-	2,772	-	-	186,699
Upon generation/others	-	-	-	-	219	4	223
	219,812	7,659	-	2,772	219	4	230,466

Year to 31 December 2025	CPO and palm kernel	FFB	Rubber	Shell nut	Biogas products	Others	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<i>Contract counterparties</i>							
Government	-		-	-	495	-	495
Non-government	437,976	21,446	-	5,288	-	6	464,716
- Wholesalers	437,976	21,446	-	5,288	495	6	465,211
<i>Timing of transfer of goods</i>							
Delivery to customer premises	-	21,446	-	-	-	-	21,446
Delivery to port of departure	83,113	-	-	-	-	-	83,113
Customers collect from our mills/estates	354,863	-	-	5,288	-	-	360,151
Upon generation/others	-	-	-	-	495	6	501
	437,976	21,446	-	5,288	495	6	465,211

4. Finance income and expense

	2026	2025	2025
	6 months	6 months	Year
	to 30 June	to 30 June	to 31 December
	(unaudited)	(unaudited)	(audited)
	\$000	\$000	\$000
<u>Finance income</u>			
Interest receivable on:			

Credit bank balances and time deposits		2,657	3,141	7,997
Finance expense				
Interest payable on:				
Bank loans		(167)	-	-
Interest expense in lease liabilities		(23)	(25)	(44)
Net finance income recognised in income statement		2,467	3,116	7,953

5. Segment information

	North Sumatera	Bengkulu	South Sumatera	Riau	Bangka	Kalimantan	Total Indonesia	Malaysia	UK	Hong Kong	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
6 months to 30 June 2026 (unaudited)											
Total sales revenue (all external)											
- CPO and palm kernel	77,717	71,122	15,146	31,866	-	29,959	225,810	-	-	-	225,810
- FFB	3,167	-	782	-	3,596	10,399	17,944	1,072	-	-	19,016
- Rubber	-	-	2,339	-	-	-	2,339	-	-	-	2,339
- Shell nut	866	596	-	825	-	42	2,329	-	-	-	2,329
- Biogas products	-	40	-	-	-	191	231	-	-	-	231
- Others	-	-	2	-	-	-	2	1	-	-	3

Total revenue	81,750	71,758	18,269	32,691	3,596	40,591	248,655	1,073	-	-	249,728
Profit/(loss) before tax for the period per consolidated income statement	23,893	14,755	1,070	6,346	599	15,248	61,911	(915)	(1,475)	65,834	6,313
Finance income	1,601	200	2	427	2	207	2,439	8	88	122	2,657
Finance expense	(6)	-	(168)	-	-	(1)	(175)	(8)	(7)	-	(190)
Depreciation	(3,289)	(1,863)	(3,077)	(373)	(275)	(3,249)	(12,126)	(189)	(63)	-	(12,378)
(Provision)/Reversal for expected credit loss	(2)	(1)	108	-	(1)	(3)	101	-	-	-	101
Inter-segment transactions	1,441	(1,272)	-	(347)	(218)	(145)	(541)	531	10	-	-
Inter-segmental revenue	8,662	636	2,699	-	-	406	12,403	-	-	-	12,403
Tax expense	(5,993)	(2,931)	(74)	(1,439)	(68)	(3,449)	(13,954)	(140)	(2,817)	-	(16,911)
Total assets	151,179	100,192	210,990	21,999	18,558	155,534	658,452	16,041	7,417	13,195	695,105

Property, plant and equipment	71,891	55,198	191,214	8,240	15,602	100,965	443,110	8,393	322	-	451,825
Property, plant and equipment - additions	3,977	4,011	1,227	668	208	4,863	14,954	139	-	-	15,093
Total liabilities	(21,785)	(14,404)	(43,684)	(5,623)	(707)	(11,745)	(97,948)	(542)	(17,204)	-	(115,694)

	North Sumatera	Bengkulu	Riau	Bangka	Kalimantan	Total Indonesia	Malaysia	UK	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
6 months to 30 June 2025 (unaudited)									
Total sales revenue (all external)									
- CPO and palm kernel	85,026	72,411	31,663	-	30,712	219,812	-	-	219,812
- FFB	-	-	-	3,141	2,944	6,085	1,574	-	7,659
- Shell nut	1,257	764	742	-	9	2,772	-	-	2,772
- Biogas products	3	70	-	-	146	219	-	-	219
- Others	-	-	-	-	-	-	4	-	4
Total revenue	86,286	73,245	32,405	3,141	33,811	228,888	1,578	-	230,466
Profit/(loss) before tax for the period per consolidated income statement	28,014	13,286	8,860	900	11,826	62,886	58	(393)	62,551

Finance income	1,776	569	328	1	59	2,733	371	37	3,141
Finance expense	(6)	-	-	-	-	(6)	(10)	(9)	(25)
Depreciation	(3,435)	(1,774)	(357)	(296)	(3,140)	(9,002)	(163)	(61)	(9,226)
Impairment losses	-	-	-	-	-	-	-	-	-
(Provision)/ Reversal for expected credit loss	(1)	(2)	-	-	(1)	(4)	-	-	(4)
Inter- segment transactions	2,927	(1,343)	(385)	(225)	(1,516)	(542)	532	10	-
Inter- segmental revenue	12,570	1,918	-	-	5,651	20,139	-	-	20,139
Tax (expense)/cr edit	(6,820)	(2,684)	(1,833)	(136)	(2,144)	(13,617)	(130)	(1)	(13,748)
Total assets	274,932	124,425	47,489	20,560	151,959	619,365	15,946	19,513	654,824
Property, plant and equipment	79,172	54,094	7,925	16,939	105,464	263,594	8,238	444	272,276
Property, plant and equipment - additions	2,483	3,864	149	469	3,826	10,791	315	51	11,157
Total liabilities	(19,740)	(13,661)	(5,660)	(513)	(9,370)	(48,944)	(693)	(20,436)	(70,073)

	North Sumatera	Bengkulu	Riau	Bangka	Kalimantan	Total Indonesia	Malaysia	UK	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Year to 31 December 2025 (audited)									

Total sales revenue (all external)									
- CPO and palm kernel	172,049	137,421	60,179	-	68,327	437,976	-	-	437,976
- FFB	102	-	-	6,602	11,286	17,990	3,456	-	21,446
- Shell nut	2,421	1,416	1,412	-	39	5,288	-	-	5,288
- Biogas products	3	133	-	-	359	495	-	-	495
- Others	-	-	-	-	-	-	6	-	6
Total revenue	174,575	138,970	61,591	6,602	80,011	461,749	3,462	-	465,211
Profit/(loss) before tax for the year per consolidated income statement	54,534	25,427	13,372	1,671	27,339	122,343	(1,086)	(1,927)	119,330
Finance income	5,070	1,247	926	2	249	7,494	26	477	7,997
Finance expense	(8)	-	-	-	-	(8)	(19)	(17)	(44)
Depreciation	(7,114)	(3,634)	(841)	(561)	(6,349)	(18,499)	(336)	(123)	(18,958)
Reversal of impairment/(impairment losses)	-	-	-	-	711	711	(1)	-	710
Reversal/(Provision) for expected credit loss	92	(3)	-	-	(4)	85	-	-	85
Inter-segment transactions	5,835	(2,678)	(1,000)	(448)	(3,024)	(1,315)	1,040	275	-
Inter-segmental revenue	25,292	2,439	-	-	7,355	35,086	-	-	35,086
Tax expense	(15,181)	(4,954)	(3,005)	(249)	(5,276)	(28,665)	(179)	(4,171)	(33,015)
Total assets	270,277	104,340	63,272	19,832	152,042	609,763	21,536	4,610	635,909

Property, plant and equipment	76,011	56,699	8,515	16,669	105,799	263,693	8,469	385	272,547
Property, plant and equipment - additions	6,070	10,272	1,589	1,022	10,478	29,431	404	55	29,890
Total liabilities	(18,736)	(13,459)	(5,760)	(590)	(10,812)	(49,357)	(802)	(823)	(50,982)

In the 6 months to 30 June 2026, revenue from 4 customers of the Indonesian segment represent approximately \$89.9 million (H1 2025: \$102.0 million) of the Group's total revenue. In the year 2025, revenue from 4 customers of the Indonesian segment represent approximately \$193.1 million of the Group's total revenue. An analysis of this revenue is provided below. Although Customers 1 to 2 each contribute over 10% of the Group's total revenue, there was no over reliance on these Customers as tenders were performed on a weekly basis.

	2026		2025		2025	
	6 months		6 months		Year	
	to 30 June		to 30 June		to 31 December	
	(unaudited)		(unaudited)		(audited)	
	\$m	%	\$m	%	\$m	%
Major Customers						
Customer 1	36.3	14.5	51.2	22.2	91.4	19.6
Customer 2	28.3	11.3	19.1	8.3	37.0	8.0
Customer 3	14.0	5.6	16.5	7.2	34.9	7.5
Customer 4	11.3	4.5	15.2	6.6	29.8	6.4
Total	89.9	35.9	102.0	44.3	193.1	41.5

6. Tax expense

	2026	2025
	6 months	6 months
	to 30 June	to 30 June
	(unaudited)	(unaudited)
	\$000	\$000

Foreign corporation tax - current year	16,936	13,468	29,932
Foreign corporation tax - prior year	23	204	1,821
Deferred tax adjustment - origination and reversal of temporary differences	(48)	76	1,044
Deferred tax - prior year	-	-	218
	16,911	13,748	33,015

Corporation tax rate in Indonesia is at 22% (H1 2025: 22%, 2025: 22%) whereas Malaysia is at 24% (H1 2025: 24%, 2025: 24%). The standard rate of corporation tax in the UK for the current year is 25% (H1 2025: 25%, 2025: 25%).

7. Dividend

The interim dividend in respect of 2025, amounting to 3.73 cents per share (adjusted for the 10-for-1 share split), or \$14,557,914 was paid on 7 November 2025 (2024: no interim dividend).

The final dividend in respect of 2025, amounting to 4.37 cents per share (adjusted for the 10-for-1 share split), or \$16,763,035 was paid on 30 July 2026 (2024: 5.10 cents per share, or \$20,091,155 paid on 18 July 2025).

8. Earnings per ordinary share ("EPS")

	2026	2025	2025
	6 months	6 months	Year
	to 30 June	to 30 June	to 31 December
	(unaudited)	(unaudited)	(audited)
	\$000	\$000	\$000
Earnings used in basic and diluted EPS	48,981	48,660	90,882
	Number	Number	Number
	'000	'000	'000
Weighted average number of shares in issue in the period			
- used in basic EPS	385,230	394,450	392,720
- dilutive effect of outstanding share options	-	-	-
- used in diluted EPS	385,230	394,450	392,720

Basic and diluted EPS	12.71cts	12.33cts	23.14cts
-----------------------	----------	----------	----------

EPS has been retrospectively adjusted for the 10-for-1 share split completed on 25 June 2026.

9. Investments

Investments analysed as:

		2026	2025	2025
		as at 30 June	as at 30 June	As at 31 December
		(unaudited)	(unaudited)	(audited)
		\$000	\$000	\$000
Non-current		41	9,405	45
Current		4,000	18,000	22,000
		4,041	27,405	22,045

The movement of the fair value through profit and loss investment is:

		2026	2025	2025
		as at 30 June	as at 30 June	As at 31 December
		(unaudited)	(unaudited)	(audited)
		\$000	\$000	\$000
1 January		22,045	29,087	29,087
Additions		-	30,018	29,068
Disposal		(18,000)	(31,997)	(36,003)
Change in fair value recognised in profit and loss		(4)	297	(107)
		4,041	27,405	22,045

Fair value through profit and loss financial assets includes the following:

		2026	2025	2025
		as at 30 June	as at 30 June	As at 31 December
		(unaudited)	(unaudited)	(audited)
		\$000	\$000	\$000

Quoted:				
Equity securities - United Kingdom		41	35	45
Bonds - Indonesia		-	18,000	18,000
Bond - Singapore		4,000	4,000	4,000
Unquoted:				
Investment portfolio - Luxembourg		-	5,370	-
		4,041	27,405	22,045

Fair value through profit and loss financial assets are denominated in the following currencies:

		2026	2025	2025
		as at 30 June	as at 30 June	As at 31 December
		(unaudited)	(unaudited)	(audited)
		\$000	\$000	\$000
Currency				
Sterling		41	35	45
US Dollar		4,000	27,370	22,000
		4,041	27,405	22,045

The quoted bonds have an average remaining maturity of less than one year, reflecting the

Group's short-term trading strategy. The fair value of quoted investments, including listed equity securities, bonds and treasury bills, is classified as Level 1 in the fair value hierarchy, as they are traded in active markets and valued based on quoted market prices at the reporting date.

The fair value of unquoted investment portfolio, which comprises capital-protected investments, is classified as Level 2 in the fair value hierarchy and is determined based on valuations provided by the custodian bank, using observable market inputs including quoted prices of similar instruments and market interest rates.

10. Acquisition of subsidiaries

On 4 May 2026, the Group acquired 98.26% of the issued share capital of PT Pinago Utama Tbk ("Pinago"), now known as PT AEP Pinago Plantations Tbk, an integrated palm oil and rubber plantation group in South Sumatera, Indonesia, together with its subsidiaries, for cash consideration of approximately \$158.3 million. The consideration also includes the acquisition of the remaining 1% interest in PT Hamparan Mutiara Hijau ("HMH"), a subsidiary of Pinago, on the acquisition date.

The acquisition expanded the Group's plantation operations by adding approximately 15,118 hectares of planted oil palm and 3,590 hectares of planted rubber, together with integrated milling and processing capacity.

The provisional fair values of the identifiable assets acquired, and liabilities assumed at the acquisition date were as follows:

		2026
		(unaudited)
		\$000
Property, plant and equipment		198,327
Receivables		1,886
Defined benefit assets		1,727
Inventories		8,766
Tax receivables		488
Biological assets		1,382
Trade and other receivables		1,702
Cash and cash equivalents		2,837
Total identifiable assets		217,115
Trade and other payables		(5,418)
Deferred tax liabilities		(25,333)
Tax liabilities		(1,724)
Lease liabilities		(74)
Bank loans		(13,523)
Retirement benefits		(271)
Total liabilities assumed		(46,343)
Fair value of identifiable net assets acquired		170,772

The non-controlling interests were measured at their proportionate share of the fair value of the identifiable net assets of the relevant entities.

The acquisition resulted in a provisional gain on bargain purchase as follows:

		2026
		(unaudited)
		\$000
Pinago share consideration		158,321
HMH 1% consideration		21
Consideration transferred		158,342
Non-controlling interests		3,368
Less: fair value of identifiable net assets acquired		(170,772)

Gain on bargain purchase		(9,062)
--------------------------	--	---------

Before recognising the bargain purchase gain, the Group reassessed the identification and measurement of the assets acquired, and liabilities assumed in accordance with IFRS 3. The gain represents the difference between the estimated fair value of Pinago acquisition and the purchase price.

The purchase price allocation remains provisional as at the reporting date and may be adjusted during the measurement period in accordance with IFRS 3.

From the acquisition date to the end of the reporting period, Pinago contributed revenue of \$18.3 million and profit before tax of \$3.5 million, before additional depreciation of \$2.4 million arising from the fair value adjustments recognised on acquisition. After taking into account such additional depreciation, Pinago's contribution to the Group's profit before tax was \$1.1 million.

Management is also in the process of assessing the highest and best use of certain assets acquired as part of the acquisition, which may affect their final fair values.

11. Subsequent event

Completion of Mandatory Tender Offer for Pinago

On 21 August 2026, the Group completed the mandatory tender offer ("MTO") for shares in PT AEP Pinago Plantations Tbk ("Pinago"). Under the MTO, the Group acquired an additional 9,484,700 shares, representing approximately 1.21% of Pinago's issued share capital, at Rp3,584 per share, for a total purchase consideration of approximately US\$1.9 million. Following completion of the MTO, the Group's ownership interest in Pinago increased from 98.26% to approximately 99.48%. Including the initial acquisition consideration of approximately \$158.3 million, the Group's total consideration for its approximately 99.48% interest in Pinago amounted to approximately \$160.2 million.

Completion of Acquisition of Admiral Potential Sdn Bhd

Subsequent to the reporting date, the Group completed the acquisition of Admiral Potential Sdn Bhd, which owns PT Jaya Jadi Utama ("PT JJU"). PT JJU holds 7,169 hectares of HGU in Central Kalimantan, adjacent to the Group's KAP estate. The acquisition is expected to support FFB supply to the KAP mill and provide additional capacity for future growth.

The Group is in the process of completing the acquisition accounting, including determining the fair values of the identifiable assets acquired and liabilities assumed. Accordingly, the financial effects of the acquisition have not yet been finalised.

12. Report and financial information

Copies of the interim report for the Group for the period ended 30 June 2026 are available on the AEP website at <https://aepplantations.com/>.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

